

Realty Trust Review

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INVESTMENT OUTLOOK AND STATISTICAL ISSUE

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INVESTMENT OUTLOOK: TRUST PRICE GAINS, FUELED BY NEWS ITEMS, OUTPACE MARKET

After hitting another 3½ year high on August 15, the stock market fell back for two successive days, but began to recover on August 20. News of a spurt in the growth of the money supply and signs that the prime rate is nosing up caused the falloff, but the amount of cash looking to invest in the market supported prices.

The gains reported by the realty trusts as a group were, as ever, ahead of the rise in the Dow Jones Industrial Index. But the components of the rise indicate that there may be some near-term weakness in the realty trust shares. Rather than benefiting from broad-based market support, the overall gains by the realty trusts can be attributed to large moves in relatively few issues, generally on news items.

For example, we see that in the past month, BankAmerica Realty Investors climbed 21.2%; this can be attributed to the announcement of the fair value of its assets (see p. 8). Central Mortgage was up 32.4% on its plans to liquidate some or all of its portfolio (RTR, Aug. 8). Commonwealth Realty rose 24.0% on plans to sell two shopping centers (see p. 8). API Trust surged 30.2% on the news that Brent Baird and First Carolina Investors had raised their interest in the trust to 25.8%.

The non-qualified trusts posted much larger gains than the qualified trusts, further indicating the amount of speculative fever pushing trust prices up. Investors seem to be saying that, barring new developments, most of the realty trusts are just about fully priced.

One reason for the growing number
(Cont'd on page 2)

WITH OUR SISTER SERVICE

HOUSING & REALTY INVESTOR's August 15 issue contained a review of major Canadian real estate company stocks, featuring their investment activities in the United States.

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PORTFOLIO GROUPS OF NO. 1 RANKED STOCKS

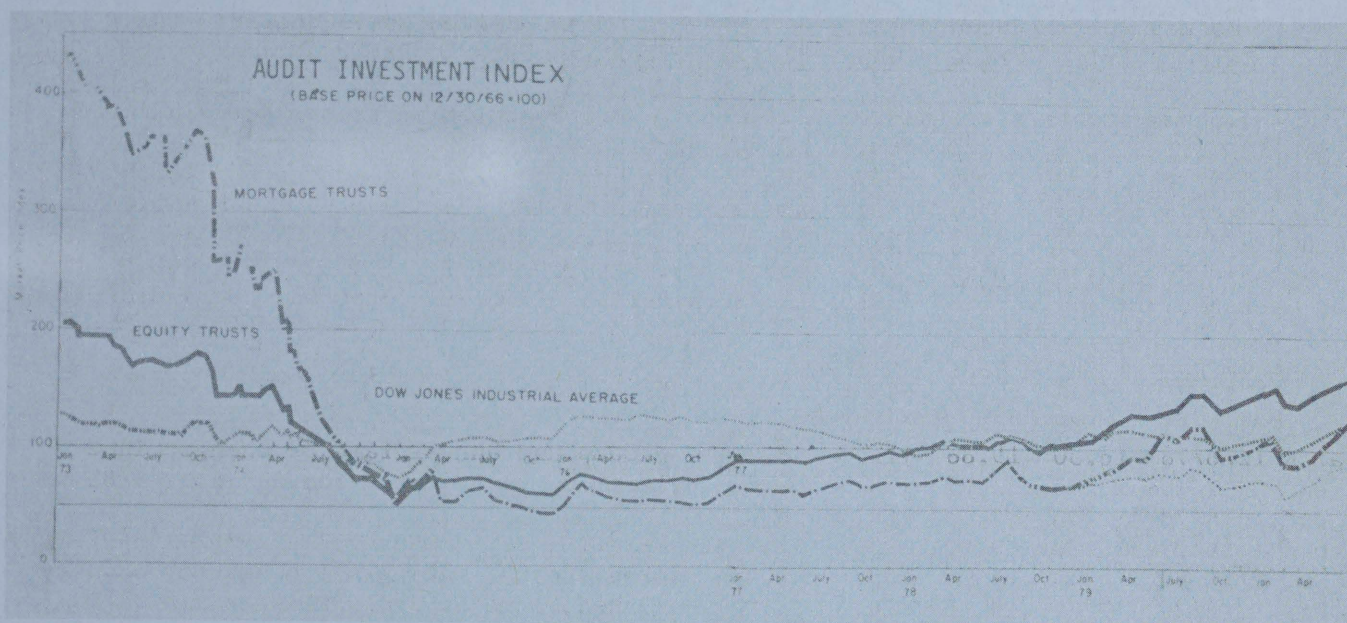
Trust	-Ranked No.1- Date	Recent Price	Recent Price	Ann.# Chng.	% Yield	Trust	-Ranked No.1- Date	Recent Price	Recent Price	Ann.# Chng.	% Yield
<u>High income property trusts (5)</u>						<u>Speculative recovery - continued</u>					
Amer. Equ.	12/7/79	\$10.13	\$15.88	+88.6%	9.8%	Maryland.	4/13/79	3.75	2.38	-28.2	--
Hotel Inv.	2/9/79	17.88	27.50	+32.2	8.7	MissionIn.	12/7/79	6.50	5.63	-18.4	--
MassMut.M.	9/8/78	14.88	13.88	- 3.4	11.2	Moraga Cp.	1/12/79	3.00	8.75	+93.2	--
Mtg. Grow.	9/8/78	7.63	13.00	+31.4	8.3	Mtg.Tr.A.	11/10/78	5.88	9.88	+34.5	--
Pacif.-So.	9/8/78	8.38	8.50	+ 0.7	15.6	Parkway..	10/12/79	5.75	7.75	+40.7	--
Group average..				+29.9%	10.7%	Security.	1/26/79	3.50	4.00	+ 8.8	--
<u>Income plus long-term growth (11)</u>						TIERCO...	10/26/79	3.75	4.63	+28.8	--
CleveTrst.	5/25/79	6.50	10.75	+49.6	2.6%	WalterRl.	12/7/79	5.13	5.75	+17.5	--
ConnGen..	11/11/77	19.88	26.63	+11.0	8.3	Group averages.				+20.3%	--
Federal R	12/8/78	16.50	19.88	+11.0	8.7	# Compound annual rate of change since selection. A-Adjusted for \$15 div. 5/80.					
First Un.	3/23/79	12.25	20.63	+44.5	6.6	<u>Relative Performance</u> of a portfolio of No.1-Ranked stocks, making all suggested changes, compared to major indexes since Jan. 1 is:					
Fla. Gulf.	12/8/78	12.50	17.00	+19.7	8.2	Income REITs.. +26.6% Dow-Jones Ind.+12.1%					
Gen.Grow.	11/21/79	20.38A	19.00A	- 3.9	2.1	Recovery REITs +18.1% S&P 400 Ind...+15.0%					
GREIT RL.	7/11/80	10.75	11.75	+103.7	3.4	<u>No. 1 Rankings reduced in 1980:</u>					
Hosp. Mtg.	2/9/79	9.75	13.63	+24.3	4.4	Trust	Begin	End	Date	Chng.	Cur.Advice
ICM Rlty.	12/21/79	14.25	17.88	+35.3	5.6	Central.	10.50	12.50	8/8	+19.0%	Hold LT
PennREIT.	12/28/78	15.00	24.88	+35.5	7.6	Commwlth.	8.50	8.50	4/11	0.0%	Hold/sell
Prop.Cap.	12/21/79	14.88	22.75	+76.1	7.0	Franklin.	10.25	24.25	7/11	+136.6%	Hold LT
Group averages.				+38.9%	5.9%	Kenilwth	35.50	38.25	7/11	+ 8.8	Sell/Hold
<u>Speculative recovery, low yield (11)</u>						Avg. Chng...				+41.1%	
CompassIn.	4/13/79	1.50	1.75	+11.9%	--						
Eastover..	4/13/79	9.00	14.75	+43.2	--						
FGI Invst.	4/13/79	4.50	4.00	- 8.2	--						

of trusts to report the fair value of their assets (see p. 8) is to combat this perception, as is the liquidation of properties at prices far above book value. But again, this indicates to us that many of the trusts fear imminent declines in their stock prices.

There are many factors that could set off a wholesale market decline. An upturn in interest rates, very likely as money supply growth continues, will almost certainly cause a decline in stock prices. This would be fanned by worsening news regarding inflation, highly likely as wholesale food prices rise as a result of torrid summer weather. The price of gold has been rising on political uncertainties in Poland--any one of a number of unstable international situations could touch off a decline.

On the domestic front, if it begins to look as if President Carter will be re-elected, we also can expect a decline.

As usually seems to be the case, the equity trusts will tend to provide more protection in the case of a downturn. If stock prices go down, we think that many more trusts will be forced into liquidation in the best interests of their shareholders. Most of these trusts still sell at a substantial discount from realizable value and thus remain potential buys. Overall, we would not rush to commit substantial new sums in the market, and some judicious profit taking might be in order. We will continue to try to identify special situation worthy of consideration for purchase in the current market--stocks which should go up regardless of the direction of the market.



Summary of Comparative Trust Group Averages for the Month

GROUP	QUAL	NON-QUAL	TOTAL	SHARE (000)	BOOK VALUE	ANN DIV	EARN ANN	LAST PRICE	-% CHNG MON AGO	FROM-- JAN 1	P/E RATIO	ANN YIELD	% PR TO BK	RETURN ON BK	MARKET VALUE
PROPERTY-LARGE	20	0	20	2230	16.49	1.40	2.60	19.62	4.3	16.6	7.5	7.1	19.0	15.8	840.5
-SMALL	9	0	9	1154	13.33	1.54	1.75	15.71	3.2	18.9	9.0	9.8	17.8	13.1	196.2
-SUBOR LAND	3	0	3	1862	17.01	1.60	3.63	20.38	5.6	24.4	5.6	7.9	19.8	21.3	111.3
AVERAGE 3 PROP GROUPS			32	1892	15.64	1.45	2.45	18.59	4.2	17.9	7.6	7.8	18.8	15.7	1148.0
PROP & MTG COMBINATION	15	10	25	2164	12.47	0.65	1.01	12.87	5.2	28.2	12.7	5.1	3.2	8.1	806.4
SHORT-TERM MTG	12	0	12	2233	17.11	0.95	1.64	12.63	3.9	10.0	7.7	7.5	-26.2	9.6	385.0
LONG-TERM MTG/PROP	8	0	8	3785	15.17	1.24	1.11	10.89	0.7	15.0	9.8	11.4	-28.2	7.3	328.1
MTG/FCLSD PROP-MISC	2	5	7	4392	4.98	0.00	0.69	4.28	11.1	25.6	6.1	0.0	-13.9	14.0	130.6
-BANK	0	10	10	2114	6.00	0.03	0.46	5.67	8.8	31.0	12.3	0.5	-5.5	7.7	117.6
-INDEPEND	0	44	44	4350	4.43	0.00	0.96	3.63	6.2	12.4	3.8	0.1	-18.2	21.7	432.9
AVERAGE 3 MTG/FCLSD PROP			61	3988	4.75	0.00	0.84	4.03	7.4	17.7	4.8	0.2	-15.1	17.9	681.1
OVERALL AVERAGE	69	69	138	3007	10.35	0.61	1.33	10.15	4.7	19.0	7.6	6.0	-1.9	12.9	3348.6
DOW-JONES INDUSTRIALS															
								120.77	939.85	1.4	12.1	7.8	5.7		

Profile of Realty Trust Balance Sheets at Latest Report

	No.	---Invested Assets---		% Non- & Low-earn.	% Change in Month	Loss Reserve	Foreclosed Property	All Debt	Share-holders Equity	Depreciation	Taxloss Carry-forward
		Total	Non/Low-Earn.								
PROPERTY.....	32	\$ 1,844M	\$ 33M	2%	-0.0%	\$ 11M	\$ 15M	\$1,799M	\$ 675M	\$272M	\$ 3M
PROPERTY & MTG.....	25	1,841	272	15	0.0	38	60	1,321	604	158	129
SHORT/TERM MTG.....	12	1,072	126	12	-4.7	27	99	637	516	6	12
L/T MTG/PROPERTY.....	8	949	81	9	+0.1	11	56	489	460	7	0
MTG/FORECLOSED PROP.	61	3,907	2,433	62	-1.3	557	1,550	2,825	654	85	1,897
TOTALS/AVERAGES.....	138	\$ 9,612M	\$2,946M*	31%	-1.3%	\$644M	\$1,779M	\$6,451M	\$2,908M	\$529M	\$2,041M

* Includes \$841M or 8.7% low-earning assets.

M=Million.

RELATIVE APPEAL	EXCH/ SYMBOL	SHARE (000)	BOOK VALUE	ANN DIV	-EARNINGS-- MON	LAST PRICE	% CHANGE MON AGO	FROM- JAN 1	P/E RATIO	ANN YIELD	% PR TO BK	RETURN ON BK	MKT VA (MIL\$)		
PROPERTY TRUSTS-OVER \$25M ASSETS															
1	AM EQUITY INV #	OC-AEQTS	2497	11.48	1.55	JUN	2.57↑15.88	18.7	41.2	6.2	9.8	38.3	22.4	39.7	
3	COMMONWILTH RLTY#	OC-CRTYC	1384	9.99	0.40→FEB	0.59	10.75 X	24.0	26.5	18.2	3.7	7.6	5.9	14.9	
3	CONSOL CAP RLY#	OC-CCPLS	1989	27.52	2.64	MAY	4.78	32.50 X	2.3	12.1	6.8	8.1	18.1	17.4	64.6
2	DENVER REI ASN#	OC-DENVS	1101	18.14	1.40	JUN	1.90↑32.25	2.4	48.3	17.0	4.3	77.8	10.5	35.5	
1	FEDERAL REALTY#	AS-FRT	1434	14.40	1.72	JUN	1.45↑19.88	-4.2	32.5	13.7	8.7	38.1	10.1	28.5	
1	FIRST UNION RE#	NY-FUR	5580	17.24	1.36	JUN	2.33↑20.63	-1.2	34.1	8.9	6.6	19.7	13.5	115.1	
1	FLORIDA GLF RL#	OC-FGLFS	997	20.89	1.40	APR	1.63↑17.00	-2.9	11.5	10.4	8.2	-18.6	7.8	16.9	
1	GENERAL GROWTH#	NY-GGP	6202	6.30	0.40→MAR	13.03	19.00	0.0	-50.3	1.5	2.1	201.6	206.8	117.8	
2	GOULD INVESTOR#	AS-GTR	1173	20.70	1.36	JUN	3.05↑14.25	5.6	1.8	4.7	9.5	-31.2	14.7	16.7	
1	GREIT REALTY	AS-GRT	998	11.14	0.40	APR	0.15↑11.75	4.4	27.0	78.3	3.4	5.5	1.3	11.7	
2	HUBBARD REI	NY-HRE	4004	25.35	1.88	JUL	2.24↑17.50	6.8	8.5	7.8	10.7	-31.0	8.8	70.1	
NR	INTL INC PROP#	OC-IIPI	1865	10.09	0.77↑MAR	0.79	10.50	2.4	2.4	13.3	7.3	4.1	7.8	19.6	
2	NEW PLAN RL TR#	AS-NPR	3213	6.53	0.96→APR	0.92	11.75 X	18.3	28.7	12.8	8.2	79.9	14.1	37.8	
1	PENN REIT	AS-PEI	1561	28.83	1.90	MAY	2.91	24.88 X	5.4	5.3	8.5	7.6	-13.7	10.1	38.8
2	REIT OF AMERICA	AS-REI	1633	22.65	2.20	MAY	2.21↑27.75	-3.5	30.6	12.6	7.9	22.5	9.8	45.3	
2	SAN FRAN RE IN#	AS-SFI	1406	22.80	1.76→JUN	1.84	29.13 X	4.2	24.0	15.8	6.0	27.8	8.1	41.0	
NR	UNIVERSITY REI#	OC-URETS	2514	9.35	1.32	MAR	1.04	10.75 X	3.4	19.4	10.3	12.3	15.0	11.1	27.0
NR	USP RE EST INV#	OC-USPTS	2500	9.42	0.81	JUN	1.08↑8.63	4.6	23.3	8.0	9.4	-8.4	11.5	21.6	
2	VIRGINIA REIT #	OC-VARES	1019	14.89	1.00→JUN	1.02	19.75	1.3	79.5	19.4	5.1	32.6	6.9	20.1	
2	WASH RE (WRIT)#	AS-WRE	1526	22.05	2.72	MAR	6.55	37.88	2.0	35.9	5.8	7.2	71.8	29.7	57.8
GROUP AVERAGE			2230	16.49	1.40		2.60	19.62	4.3	16.6	7.5	7.1	19.0	15.8	840.5
PROPERTY TRUSTS-SPECIALITY PROPS & UNDER \$25M ASSETS															
NR	GENERAL RE SHS#	OC-GRELS	557	15.33	1.56	MAR	1.89	11.00	0.0	0.0	5.8	14.2	-28.2	12.3	6.1
NR	OLD DOMINION #	OC-ODRES	704	9.11	0.60↑JUN	1.31	7.38	0.0	15.7	5.6	8.1	-19.0	14.4	5.2	
NR	PITTS & W VA RR	AS-PW	1510	23.30	0.56	JUN	0.86	6.00	0.0	17.0	7.0	9.3	-74.2	3.7	9.1
NR	RL EST INV PRP#	OC-REIPS	959	8.67	1.36→MAR	1.42	10.50	0.0	-2.3	7.4	13.0	21.1	16.4	10.1	
NR	REIT OF CALIF	OC-RTCAL	719	10.29	1.67↑JUN	1.83	17.00	6.3	6.3	9.3	9.8	65.2	17.8	12.2	
NR	TERRYDALE RLTY#	OC-TRYLS	336	24.44	1.80→MAR	1.84	21.75 X	-5.5	20.8	11.8	8.3	-11.0	7.5	7.3	
NR	US EQUITY & MTG	OC-USEM	1078	2.38	1.10	APR	1.16	8.00	6.7	-5.9	6.9	13.8	236.1	48.7	8.6
1	Z-HOTEL INVESTOR#	AS-HOT	1777	20.45	2.40	MAY	3.12	27.50	4.8	42.9	8.8	8.7	34.5	15.3	48.9
2	Z-SANTA ANITA	OC-SACDZ	2749	6.04	2.80	JUN	2.31	32.25	1.6	35.1	14.0	8.7	433.9	38.2	88.7
GROUP AVERAGE			1154	13.33	1.54		1.75	15.71	3.2	18.9	9.0	9.8	17.8	13.1	196.2
PROPERTY TRUSTS-SUBOR LAND LEASEBACK															
1	ICM REALTY	AS-ICM	3011	15.52	1.00	MAY	1.63	17.88	2.2	21.2	11.0	5.6	15.2	10.5	53.8
2	JMB REALTY	OC-JMBRS	510	21.73	2.20	MAY	4.12	20.50	2.5	10.8	5.0	10.7	-5.7	19.0	10.5
1	PROPERTY CAPITL	AS-PCL	2065	13.77	1.60↑JUL	5.13	22.75	5.8	43.3	4.4	7.0	65.2	37.3	47.0	
GROUP AVERAGE			1862	17.01	1.60		3.63	20.38	5.6	24.4	5.6	7.9	19.8	21.3	111.3
PROPERTY & MTG COMBINATION															
3N	API TRUST	OC-APIIS	1012	7.88	0.00	MAR	0.14	3.75	30.2	42.6	26.8	0.0	-52.4	1.8	3.8
3	BANKAMER RLTY	NY-BRE	3570	17.35	1.60↑JUL	1.44	23.25	21.2	27.4	16.1	6.9	34.0	8.3	83.0	
3N	BRT REALTY	AS-BRT	1400	2.25	0.00	MAY	0.08	1.25	0.0	33.0	15.6	0.0	-44.4	3.6	1.8
1	CONN GENL MGR #	NY-CGM	5867	20.82	2.20	JUN	2.63	26.63	2.9	13.9	10.1	8.3	27.9	12.6	156.2
2	FLATLEY RL INV#	OC-FLTLS	1000	10.42	0.30	MAR	0.81	7.00	-5.1	33.3	8.6	4.3	-32.8	7.8	7.0
1	HOSPITAL MTG #	AS-HMG	1178	23.55	0.60	MAR	1.08	13.63	1.9	33.0	12.6	4.4	-42.1	4.6	16.1
2	IRT PROPERTY CO#	AS-IRT	2306	13.36	1.10↑MAR	2.39	12.50 X	3.2	31.6	5.2	8.8	-6.4	17.9	28.8	
2	MILLER(HS) TRST	OC-HSMTS	560	18.85	1.80	MAY	1.62	19.25	-1.3	8.5	11.9	9.4	2.1	8.6	10.8
1	MORTGAGE GROWTH#	AS-MTG	2648	12.39	1.08	MAY	1.46	13.00	6.1	48.6	8.9	8.3	4.9	11.8	34.4
2	PACIFIC RLTY TR#	AS-PTL	843	23.24	1.20	FEB	2.58	24.25	1.0	8.4	9.4	4.9	4.3	11.1	20.4
2	PROPTY TR AMER#	OC-PTAS	2372	9.87	1.27↑MAR	1.45	11.50 X	22.1	55.8	7.9	11.0	16.5	14.7	27.3	
2	RLTY & MTG PAC	NY-RPC	1932	18.45	1.60	MAY	1.83	18.75	3.4	23.9	10.2	8.5	1.6	9.9	36.2
3	REALTY INCOME	AS-RIT	1591	9.84	0.80→APR	-0.48	7.25	-3.3	-3.3	0.0	11.0	-26.3	0.0	11.5	
2N	RIVIERE REALTY#	OC-N/A	783	11.61	0.00	JUN	-1.61	4.00	-13.6	-30.4	0.0	0.0	-65.5	0.0	3.1
2	WELLS FARGO M&E	NY-WFM	3953	18.46	2.00↑JUN	2.10	21.13 X	21.0	49.5	10.1	9.5	14.5	11.4	83.5	
GROUP AVERAGE			2068	14.56	1.04		1.17	13.81	7.9	22.6	11.8	7.5	-5.1	8.0	523.9
SHORT TERM MTG-MTG BANKER & MISC FIN SPONSOR															
2N	BAYSWATER RLTY	OC-BRITS	1043	20.26	0.00	JAN	4.96	11.00	15.8	18.9	2.2	0.0	-45.7	24.5	11.5
2N	CENTRAL MTG&RLY	OC-CMTIS	775	14.89	0.00	JUN	1.63	12.75	32.4	30.8	7.8	0.0	-14.4	10.9	9.9
NR	CONSOL CAP INCO	OC-CCITS	4000	22.99	2.62↑MAR	3.19	25.00 X	-0.7	-2.0	7.8	10.5	8.7	13.9	100.0	
2	EQUIT LF MTG&RL	NY-EQ	5663	23.21	1.40	JUL	1.61	13.25	-15.9	-10.2	8.2	10.6	-42.9	6.9	75.0
3	FIRST CONTNL RE	OC-FCRES	2106	10.45	1.22	MAY	1.18	8.50	-2.9	13.3	7.2	14.4	-18.7	11.3	17.9
3	FRASER MTG	OC-FRASS	1038	16.55	1.04	MAY	0.77	11.00	7.3	18.9	14.3	9.5	-33.5	4.7	11.4
3N	HANOVER SQ RLTY	AS-HSQ	946	11.38	0.00	MAY	0.19	6.75	14.8	10.1	35.5	0.0	-40.7	1.7	6.4
2	LOMAS & NET MTG	NY-LQM	3700	27.91	2.41↑JUN	2.41	19.63 X	-2.7	2.0	8.1	12.3	-29.7	8.6	72.6	
2	M&T MORTGAGE	OC-MTMIS	1486	10.56	1.68	MAY	1.82	13.00	0.0	7.2	7.1	12.9	23.1	17.2	19.3
1N	MTG TRUST AMER	NY-MT	3993	14.30	0.00	MAY	0.99	9.88	6.8	38.6	10.0	0.0	-30.9	6.9	39.5
3	NATIONWIDE RE	OC-NRELS	1047	24.66	0.82↑JUN	0.79	16.25 X	-0.4	18.2	20.6	5.0	-34.1	3.2	17.0	
2	WESTERN MTG	BO-WMTGS	1003	8.17	0.24	MAY	0.14	4.50	24.0	33.1	32.1	5.3	-44.9	1.7	4.5
GROUP AVERAGE			2233	17.11	0.95		1.64	12.63	3.9	10.0	7.7	7.5	-26.2	9.6	385.0
LONG-TERM MTGS & PROPERTIES															
NR	DEL-VAL FINCL	OC-DVALS	1345	9.19	1.50↑MAR	1.26	11.50 X	1.1	12.2	9.1	13.0	25.1	13.7	15.5	
1	MASSMUTUAL MTG	NY-MML	4670	19.90	1.56	APR	1.59	13.88	-1.8	18.1	8.7	11.2	-30.3	8.0	64.8
2	MONY MTG INV	NY-MYM	8955	9.81	0.92	MAY	1.03	8.75	-5.4	14.7	8.5	10.5	-10.8	10.5	78.4
3	NW MUT LIFE MTG	NY-NML	4758	19.11	1.12	JUN	1.06	10.75	-6.5	19.4	10.1	10.4	-43.7	5.5	51.1
1	PACIF SOTHRN MT	OC-PSMTS	800	12.00	1.33↓MAR	1.38	8.50 X	2.9	6.3	6.2	15.6	-29.2	11.5	6.8	
3	PNB MTG & RLTY	NY-PNB	4766	16.55	1.20	JUN	0.34	11.13	-1.1	23.7	32.7	10.8	-32.7	2.1	53.0
2	REALTY REFUND	NY-RRF	1377	17.20	1.23↓JUL	1.23	10.38	-13.5	0.0	8.4	11.8	-39.7	7.2	14.3	
2	UNITED RLTY IN	AS-URT	3610	17.63	1.04	MAY	1.01	12.25	16.7	25.6	12.1	8.5	-30.5	5.7	44.2
GROUP AVERAGE			3785	15.17	1.24		1.11	10.89	0.7	15.0	9.8	11.4	-28.2	7.3	328.1
MTG & FORECLOSED PROPERTY-MISC SPONSOR															
2N	Y CMT INVESTMT TR	OC-CMTIS	2032	3.14	0.00	JUN	0.39	4.88	30.1	199.4	12.5	0.0	55.4	12.4	9.9
3N	HEITMAN MTG INV	AS-HTM	3292	1.70	0.00	JUN	0.31	2.00	6.4	6.4	6.5	0.0	17.6	18.2	6.6
GROUP AVERAGE			2662	2.42	0.00		0.35	3.44	22.2	96.0	9.8	0.0	42.1	14.5	16.5

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RELATIVE APPEAL	EXCH/ SYMBOL	SHARE (000)	BOOK VALUE	ANN DIV	-EARNINGS-- MON ANN	LAST PRICE	% CHANGE MON AGO	FROM- JAN 1	P/E RATIO	ANN YIELD	% PR TO BK	RETURN ON BK	MKT VA (MIL\$)
PROP & MTG COMBINATION-NON-QUALIFIED (MOST INDEPENDENT)													
5N	AMER REALTY	OC-ARB	2222	3.42	0.00	MAR	0.37	4.00	14.3	38.9	10.8	0.0	8.9
2N	BAY FINCL CORP	NY-BAY	3323	6.84	0.00	MAY	0.50	6.25	-5.7	-5.7	12.5	0.0	20.8
3	CITIZENS GROWTH	OC-CITGS	801	8.75	0.20	APR	1.78	4.75	5.6	46.2	2.7	4.2	3.8
1	FRANKLIN RLTY	AS-FR	1054	8.95	0.40	MAR	0.79	23.50 X	-3.7	100.0	29.7	1.7	24.8
2N	INDIANA PCL INV	OC-IFII	1154	8.69	0.00	MAR	-0.50	4.38	0.0	34.8	0.0	0.0	5.1
1N	KENILWORTH RLTY	NY-KRT	2683	23.49	0.00	FEB	2.40	38.25	-0.6	32.4	15.9	0.0	102.6
2N	SAUL (BF) REIT	NY-BFS	5893	4.40	0.00	JUN	0.51	10.13	9.5	39.7	19.9	0.0	59.7
2	US REALTY INV #	NY-UTY	3406	14.82	0.20	JUN	0.68	12.63	-2.8	42.2	18.6	1.6	43.0
1N	WALTER REALTY	OC-WALJS	1035	8.53	0.00	APR	0.54	5.75	9.5	12.1	10.6	0.0	6.0
2	WISCONSIN REIT	OC-WREIS	1514	5.75	0.10	JUN	0.82	5.13	2.6	20.7	6.3	1.9	7.8
GROUP AVERAGE		2309	9.36	0.09	0.79	11.48	0.5	39.7	14.5	0.8	22.6	8.4	282.5
MTG & FORECLOSED PROP-NON-QUALIFIED-INDEPENDENT MGMT													
2N	ANRET INC	PH-ARET	509	19.66	0.00	MAY	-2.55	10.50	40.0	1.2	0.0	0.0	5.3
4N	BUILD R INV GRP	OC-BULDS	2844	1.57	0.00	MAR	1.20	3.31	20.4	39.1	2.8	0.0	9.4
3N	CI MTG GROUP	PH-CI	4812	8.65	0.00	APR	2.25	5.88	2.3	-16.0	2.6	0.0	28.3
5N	VJ-CITIZENS MTG	OC-CZM	1421	-13.59	0.00	MAR	0.68	0.13	0.0	-48.0	0.2	0.0	0.2
1N	COMPASS INV GP	OC-CMPSS	10368	2.24	0.00	JUN	-0.06	1.75	3.6	16.7	0.0	0.0	18.1
4N	VJCONTINENTAL MTG	OC-CMI	20838	-5.32	0.00	DEC	1.22	0.51	34.2	45.7	0.4	0.0	10.6
2N	DIVERSIFIED MTG	OC-DMG	7326	7.83	0.00	JUN	-0.29	4.38	9.5	-7.8	0.0	0.0	32.1
3N	Y DOMINION MGR	OC-DMRTS	3314	0.76	0.00	FEB	4.35	2.88	28.0	53.2	0.7	0.0	9.5
1N	EASTOVER CORP	OC-EASTS	1034	17.44	0.00	JUN	4.27	14.75	3.5	13.5	3.5	0.0	15.3
1N	FGI INVESTORS	OC-FGI	1927	8.71	0.00	FEB	2.59	4.00	0.0	-3.1	1.5	0.0	7.7
2	FIRST CARO INV	OC-PCARS	1510	14.81	0.10	JUN	0.27	9.00	-1.4	38.5	33.3	1.1	13.6
2N	FIRST MTG INVST	OC-FMTGS	9276	3.64	0.00	APR	1.73	1.69	42.0	3.7	1.0	0.0	15.7
2N	FIRST NEWPT CP	OC-FNEW	2342	3.35	0.00	APR	-0.17	3.00	-4.2	40.8	0.0	0.0	7.0
2N	GREAT AMER MGI	OC-GAMI	7372	1.47	0.00	APR	0.07	4.75	26.7	46.2	67.9	0.0	35.0
2N	GROWTH REALTY	NY-GRW	2059	7.22	0.00	MAR	0.35	5.38	10.2	-4.4	15.4	0.0	11.1
3N	GUARDIAN MTG	PH-GMI	19010	-0.13	0.00	MAY	3.80	0.81	8.0	-19.0	0.2	0.0	15.4
3N	HAMILTON INV TR	OC-HAMTS	2175	4.88	0.00	JUN	-0.47	3.88	3.5	41.1	0.0	0.0	8.4
2N	HOMAC-BARNES	OC-HOMC	1907	8.47	0.00	JUN	-0.55	2.38	36.0	26.6	0.0	0.0	4.5
2N	INSTITUTIONAL INV	NY-INV	6798	0.11	0.00	APR	-1.36	1.38	-26.6	0.0	0.0	0.0	9.4
2N	KENTUCKY PROPTY	OC-KMTGS	1100	3.20	0.00	MAY	-0.03	2.00	0.0	6.4	0.0	0.0	2.2
5N	Y LIFETIME COMMUN	OC-LFTMS	6661	3.42	0.00	APR	0.46	1.00	0.0	0.0	2.2	0.0	6.7
2N	LINCOLN MTG	OC-LNMGs	1155	1.93	0.00	JUN	1.87	3.00	6.8	-11.2	1.6	0.0	3.5
1N	MARYLAND REALTY	OC-MDRTS	1786	4.54	0.00	MAY	-0.65	2.38	-17.4	-17.4	0.0	0.0	4.3
3N	Y METROPLEX RLTY	OC-JMI	11840	1.04	0.00	MAR	-0.20	0.50	0.0	0.0	0.0	0.0	5.9
2N	MIDLAND MTG	NY-MMT	2382	2.01	0.00	JUN	1.88	3.13	-3.7	-19.3	1.7	0.0	7.5
1N	MISSION INV TR	AS-MIT	1812	7.09	0.00	MAY	2.13	5.63	15.4	-6.2	2.6	0.0	10.2
1N	MORAGA CORP	OC-MORA	1355	8.03	0.00	APR	0.11	8.75	6.1	42.7	79.5	0.0	11.9
4N	MTG INV WASH	OC-MINVS	2146	4.55	0.00	MAR	0.75	3.38	8.0	42.0	4.5	0.0	7.3
4N	NATIONAL MTG	OC-NMF	3707	2.23	0.00	MAY	0.05	1.00	13.6	37.0	20.0	0.0	2.3
5N	NOVA REIT	OC-FVM	1208	8.68	0.00	MAR	1.22	1.50	-29.6	-46.6	1.2	0.0	1.8
1N	PARKWAY COMPANY	OC-PKWAYS	1055	8.17	0.00	MAR	0.29	7.75	6.9	55.0	26.7	0.0	8.2
4N	PLAZA REALTY	OC-PRISS	1114	0.49	0.00	MAR	-0.33	2.13	-19.0	88.5	0.0	0.0	2.4
3N	REPUBLIC MTG	NY-RMI	2107	4.43	0.00	JUN	1.53	3.13	8.7	78.9	2.0	0.0	6.6
2N	SO ATLANTIC FIN	NY-SAT	2706	3.57	0.00	APR	0.75	3.63	7.4	7.4	4.8	0.0	9.8
3N	SOUTHEAST PROP	NY-SM	6851	2.27	0.00	MAR	0.48	2.13	6.5	42.0	4.4	0.0	14.6
1N	TIERCO	OC-TIERS	2355	9.75	0.00	MAR	1.66	4.63	0.0	23.5	2.8	0.0	10.9
2N	TOWERMARC	OC-FMMS	1156	7.56	0.00	MAY	0.01	4.38	0.0	0.0	438.0	0.0	5.1
2N	TRECO INC	OC-TREC	2438	1.60	0.00	MAR	0.27	1.56	8.3	0.0	5.8	0.0	3.8
2N	TRI-SOUTH INV	NY-TSI	3043	6.28	0.00	JUN	0.95	3.00	-4.2	-4.2	3.2	0.0	9.1
5N	Y TRITON GROUP	PS-TGL	18568	-0.65	0.00	MAY	8.18	0.63	0.0	18.9	0.1	0.0	11.7
4N	UMET TRUST	NY-UAT	2109	1.57	0.00	MAY	1.40	3.38	4.0	28.5	2.4	0.0	7.1
3N	Y VQUEST TRUST	OC-VQTS	1860	5.46	0.00	MAY	-0.04	4.25	0.0	-15.0	0.0	0.0	7.9
2N	WASHINGTON CP	PH-TWC.X	1675	0.05	0.00	JUN	0.70	1.44	27.4	-4.0	2.1	0.0	2.4
2N	WESTPORT COMPANY	OC-WSPTS	2388	6.07	0.00	APR	1.51	4.88	5.4	44.4	3.2	0.0	11.7
GROUP AVERAGE		4350	4.43	0.00	0.96	3.63	6.2	12.4	3.8	0.1	-18.2	21.7	432.9
MTG & FORECLOSED PROP-NON-QUALIFIED-COMCL BANK SPONSOR													
3N	AMER FLETCHER M	OC-AFMIS	1352	1.86	0.00	APR	0.46	2.50	11.1	39.7	5.4	0.0	3.4
3N	BT MTG INVSTRS	NY-BTM	2116	0.85	0.00	JUN	-0.25	2.13	13.3	13.3	0.0	0.0	4.5
2N	CAMERON-BROWN	NY-CB	2016	9.37	0.00	JUN	-0.22	5.88	14.6	42.4	0.0	0.0	11.9
NR	CITINATL DEV	OC-N/A	600	13.30	0.00	MAR	0.12	8.00	0.0	-12.4	66.7	0.0	4.8
1	CLEVELAND RLTY	OC-CTRS	2525	10.68	0.28	JUN	0.09	10.75	10.3	38.7	119.4	2.6	27.1
3N	FIRST DENVR MTG	OC-FDENS	1621	4.97	0.00	MAR	-2.48	2.88	21.0	28.0	0.0	0.0	4.7
4N	FIRST PENN MTG	NY-FFM	2961	0.33	0.00	APR	-1.02	1.50	8.7	0.0	0.0	0.0	4.4
3N	FIRST WISC MTG	OC-FWMTS	1989	5.39	0.00	JUN	-0.04	12.38	12.5	98.1	0.0	0.0	24.6
4N	INDEPENDENCE MT	OC-INTGS	2625	3.61	0.00	MAR	7.35	4.50	0.0	30.8	0.6	0.0	11.8
2N	WACHOVIA RLTY	NY-WRI	3335	9.61	0.00	MAY	0.58	6.13	4.3	19.5	10.6	0.0	20.4
GROUP AVERAGE		2114	6.00	0.03	0.46	5.67	8.8	31.0	12.3	0.5	-5.5	7.7	117.6
MTG & FORECLOSED PROP-NON-QUALIFIED-MISC FIN SPONSORS													
3N	AMER CENTURY MI	NY-ACT	2607	9.05	0.00	JUN	3.63	6.88	1.9	19.7	1.9	0.0	17.9
2N	GMR PROPERTIES	NY-GMR	2957	2.22	0.00	MAY	-0.26	2.50	5.0	17.4	0.0	0.0	7.4
3N	NORTH AMER MTG	NY-NAM	6901	5.40	0.00	JUN	-0.31	3.75	3.3	0.0	0.0	0.0	25.9
1N	SECURITY CAPITL	AS-SCC	7417	6.34	0.00	JUN	0.39	4.00	0.0	0.0	10.3	0.0	29.7
2N	STATE MUTUAL IN	NY-SMU	5538	7.02	0.00	APR	0.74	6.00	29.6	26.3	8.1	0.0	33.2
GROUP AVERAGE		5084	6.01	0.00	0.84	4.63	8.1	13.5	5.5	0.0	-23.0	14.0	114.1
PREFERRED STOCK & REIT FUNDS													
NR	QMT INV TR-PFD	OC-QMTPT	2147	7.50	0.00	JUN	0.39	4.88	34.4	159.6	12.5	0.0	10.5
NR	CYPRUS CORP	AS-CYC	1425	1.00	0.00	OCT	0.00	1.88	15.3	-31.6	0.0	0.0	2.7
NR	CYPRUS-PFD	AS-CYCPFR	660	21.15	1.70	---	0.00	14.13	-1.7	3.7	0.0	12.0	9.3
NR	RET INCOME	AS-RET	3794	4.44	0.00	SEP	0.17	4.63	2.9	19.3	27.2	0.0	17.6
NR	RET-\$4.38 PFD	AS-RETRP	575	51.63	4.38	---	0.00	45.00	-3.0	1.1	0.0	9.7	25.9
NR	TRECO-PFD A I	OC-N/A	523	1.00	0.00	---	0.00	0.75	0.0	0.0	0.0	0.0	0.4
NR	TRECO-PFD AII	OC-N/A	260	1.00	0.00	---	0.00	0.13	0.0	-48.0	0.0	0.0	0.0
NR	TRITON-PFD A	OC-N/A	1758	30.75	0.00	---	0.00	12.50	-3.8	-13.8	0.0	0.0	22.0
GROUP AVERAGE		1393	14.81	0.76	0.07	10.49	1.2	2.1	149.8	7.2	-29.2	0.5	88.4

FOR QUALIFIED TRUSTS, ARROWS DENOTE COMPARISON ON OPERATING INCOME FOR YEAR-AGO QUARTER; SALE GAINS AND EXTRA ITEMS INCLUDED IN TRAILING 12 MONTHS. NON-QUALIFIED TRUSTS AND CORPORATIONS COMPARISONS INCLUDE ALL SALE GAINS AND EXTRA ITEMS. * GROSS CASH FLOW. # NET CASH FLOW, SEE P. 6. TRUSTS REPORTED ON A CASH FLOW BASIS AND DENOTED WITH "H" OR "A" SYMBOL. BOOK VALUE INCLUDES ACCUMULATED DEPRECIATION. ARROWS DENOTE NEW EARNINGS OR DIVIDENDS AND DIRECTION. -0.0 IN % PRICE TO BOOK INDICATES NEGATIVE BOOK VALUE. BID PRICES SHOWN FOR ALL OVER THE COUNTER STOCKS. PH-PHILADELPHIA EXCHANGE. BO-BOSTON EXCHANGE. PS-PACIFIC EXCHANGE. NR-NOT RANKED. VJ-IN BANKRUPTCY REORGANIZATION. Y-CHAPTER XI REORGANIZATION COMPLETED. L-LIQUIDATING VALUE. N=NET ASSET VALUE. C-CALL PRICE. Z-PAIRED STOCKS. TRECO PREFERRED SERIES I CONVERTIBLE AT \$1.62.

HOSPITAL MORTGAGE EARNINGS FOR 13 MONTHS ENDED 3/31/80. IRT PROPERTY EARNINGS FOR 13 MONTHS ENDED 3/31/80. SANTA ANITA EARNINGS FOR 6 MONTHS ENDED 6/30/80. STATE MUTUAL EARNINGS FOR 13 MONTHS ENDED 4/31/80. TRAILING 12 MONTHS DIVIDENDS FOR REIT OF CALIFORNIA, USP REIT, AMERICAN EQUITY, REALTY REFUND, NATIONWIDE, PROPERTY CAPITAL, LOMAS & NETTLETON, US EQUITY & MTG, WISCONSIN REIT, PACIFIC SOUTHERN MTG, PROPERTY TRUST AMERICA. GROUP CHANGES: C.I. MTG. FROM MORTGAGE & FORECLOSED PROP-MISC FIN SPONSOR TO MGT & FORECLOSED PROP-INDEPENDENT MGMT REALTY & MTG PACIFIC FROM LONG-TERM MTGS & PROPERTIES TO PROPERTY & MTG COMBINATION TRI-SOUTH INVEST. FROM MTG & FORECLOSED PROP-COMCL BANK SPONSOR TO MTG & FORECLOSED PROP-INDEPENDENT

CONVERTIBLE DEBENTURES

DEBENTURE	EX	INT (%)	MAT	MIL \$ OUT	CONV AT	SH(000) RESERVD	RECENT PRICE	YIELD (%)	% CHNG	CONV PARITY	STOCK PRICE
ALAMAND CORP	OC	6.50	'91F	9.04	27.75	325	52.00	12.5	0.0	14.43	8.75
AMER CENTURY	AS	7.00	'90	2.40	17.12	140	63.00	11.1	4.8	10.78	6.88
AMER CENTY'B	NY	6.75	'91	9.81	23.86	411	63.50	10.6	-2.2	15.15	6.88
AMER REALTY	OC	7.00	'84F	1.48	10.40	142	75.00	DEF	0.0	7.80	4.00
BANKAMERICA	OC	6.75	'90	4.25	21.00	202	110.00	6.1	22.2	23.10	23.25
BAYSWATER	OC	6.75	'91	3.92	21.00	186	61.00	11.1	3.4	12.81	11.00
CONN GENERAL	NY	6.00	'96	68.01	32.50	2092	82.00	7.3	3.8	26.65	26.63
CONINTL MTG	OC	6.25	'90	40.38	19.79	2040	49.00	VJ	11.4	9.69	0.51
EQUITBL LF M	NY	6.75	'90	5.03	26.25	191	75.13	9.0	0.0	19.72	13.25
FIRST NEWPR	OC	6.75	'91F	3.04	27.50	110	48.00	14.1	-1.9	13.20	3.00
FIRST PENN M	OC	6.75	'91F	7.33	8.65	847	45.00	15.0	2.3	3.89	1.50
FIRST UNION	NY	8.75	'99	35.00	18.00	1944	122.50	7.1	7.5	22.05	20.63
HANOVER SQ R	AS	7.25	'92	4.52	21.00	215	63.50	11.4	-0.7	13.33	6.75
HEITMAN MTG	AS	7.50	'92	7.33	14.70	498	57.50	13.0	-1.6	8.45	2.00
HOTEL INVSTR	OC	7.75	'90	2.70	21.00	128	127.00	6.1	5.8	26.67	27.50
HOTEL INVTRS	OC	7.50	'91	9.01	25.25	356	108.00	6.9	8.0	27.27	27.50
LINCOLN MTG	OC	8.00	'90	10.32	11.00	938	64.00	12.5	0.0	7.04	3.00
MASSMUTL MTG	NY	6.75	'90	4.74	21.00	225	70.25	9.6	-6.1	14.75	13.88
MASSMUTUAL M	NY	6.25	'91	41.07	33.50	1226	63.50	9.8	-1.6	21.27	13.88
MIDLAND MTG	OC	7.00	'86	4.25	16.67	255	64.00	10.9	0.0	10.66	3.13
MONY MTG IN	NY	7.00	'90	6.30	11.00	573	84.00	8.3	0.0	9.24	8.75
MTG INV WASH	OC	8.00	'90	2.32	15.00	155	67.00	11.9	3.1	10.05	3.38
NOVSTRN MUTL	NY	6.00	'91	7.33	21.00	349	64.00	9.4	-0.3	13.44	10.75
PAC REAL TR	AS	7.00	'92	3.96	26.25	151	95.50	7.3	6.1	25.06	24.25
PNB MTG	AS	6.75	'91	3.24	20.00	162	65.25	10.3	-1.0	13.05	11.13
PNB MTG & RL	NY	6.75	'82	17.50	20.00	875	90.00	7.5	0.0	18.00	11.13
RAM PACIFIC	NY	6.75	'91	10.87	21.00	517	83.50	8.1	4.2	17.53	18.75
REALTY INCOM	AS	8.00	'91	15.23	18.00	846	68.00	11.8	4.2	12.24	7.25
REPUBLIC MI	NY	9.00	'90F	2.26	19.00	118	100.00	9.0	0.1	19.00	3.13
SAUL (BF) RL	OC	6.50	'91	30.38	23.00	1320	69.00	9.4	1.5	15.87	10.13
SAUL(BF) REI	OC	8.00	'90	7.28	15.50	469	81.00	9.9	5.2	12.55	10.13
STATE MUTUAL	AS	6.75	'91	1.29	21.00	61	68.00	9.9	0.0	14.28	6.00
TRECO	OC	8.50	'98	9.40	1.62	5805	95.00	8.9	0.0	1.53	1.56
TRI-SO / SR	PH	10.00	'88	9.68	2.50	3874	123.00	8.1	-5.3	3.07	3.00
TRI-SOUTH MI	NY	7.00	'92F	5.81	29.50	197	61.00	11.5	2.3	17.99	3.00
US REALTY IN	NY	5.75	'89	8.84	20.20	437	71.13	8.1	0.2	14.36	12.63
WASH CORP	OC	6.50	'91	12.26	33.00	371	45.00	14.4	2.3	14.85	1.44
WESTPORT CO	OC	6.75	'92	2.32	21.00	110	49.00	13.8	0.0	10.29	4.88

CONVERSION PARITY IS PRICE AT WHICH SHARES WOULD HAVE TO SELL TO JUSTIFY DEBENTURE PRICE. VJ=IN BANKRUPTCY REORGANIZATION. F=TRADES FLAT, WITHOUT ACCRUED INTEREST. DEF=IN DEFAULT. PH=PHILADELPHIA EXCHANGE. PS=PACIFIC EXCHANGE. ALAMAND CONVERTS INTO SHARES OF MORAGA CORP.

HOW TO USE COMPARATIVE TRUST STATISTICS

These data are designed to facilitate comparison of qualified real estate investment trusts, displayed on page 4, and formerly qualified trusts and corporations, displayed on page 5. Only historical data, or annualizations of latest quarterly data, are used and thus results should not be read as estimates or projections. Investors are advised to consider carefully the following distinctive characteristics of REIT stocks compared with other industrial or financial securities:

Annualized Dividend and Yield: Most qualified REITs do not pay a posted regular annual dividend rate but instead pay their approximate earnings (or net cash flow) for each quarter. They do this because REITs are required to pay 90% (95% beginning 1980) of earnings to shareholders in order to qualify for exemption from Federal income taxes. This means that REIT dividends will vary from quarter to quarter much more than for industrial companies; The Wall Street Journal recognizes this variability by reporting most REIT dividends separately. The outlook and stability of dividends are thus key factors in RTR's RELATIVE APPEAL RANKINGS. The "Annualized Dividend" column is the latest quarterly payout annualized by multiplying by four, and adjusting for any capital gains or special payouts. Special dividends, marked "S", are paid to maintain tax exemption but are not expected to continue in subsequent quarters. For these reasons annualized dividends and yield are not to be considered in any way as posted or guaranteed yields.

Earnings and Price/Earnings Ratio:

For all the trusts and former trusts, earnings show are the latest twelve months' earnings. Non-recurring items such as asset swap gains, reversals of loss

reserves, etc., are included in comparisons for nonqualified mortgage trusts, but are not included in comparisons for qualified trusts.

For property or equity trusts, 12 months' net cash flow as calculated by Audit Investment Research, Inc. is used in place of earnings if the trust uses cash flow as the basis for dividend payments. Net cash flow is defined as net income plus depreciation minus mortgage amortization, and net cash flow trusts are designated with the symbol "#". beside their names. For a few trusts, gross cash flow (i.e., net income plus depreciation) is used and is denoted as "*". Both earnings (EPS) and net cash flow (CFS) per share for these equity trusts are shown in RELATIVE APPEAL RANKINGS.

Book value per share is essentially tang-

STRAIGHT BONDS

ISSUER & DESC.	EX	INT.	MATURITY	MIL \$	PRICE	% CHANGE	% YIELD
BAY COLONY PROP-B	PS	8.50	3/15/89	16.5	68.50	0.0	12
BAY COLONY PROP-C	NY	8.50	3/31/81F	6.8	95.00	0.0	8
BT MTG INV-C	OC	5.75	1/15/82	19.4	76.00	5.6	7
CITIZN & SO RLY-CD#	PS	3.00	6/30/93	2.4	60.00	-14.2	5
CITIZNS MTG INV-B	OC	8.50	4/15/80	20.0	62.00	77.1	VJ
CMEI-C	NY	6.50	3/1/82F	30.0	78.00	-2.4	8
COMPASS INV-B	OC	16.25	9/30/94	4.4	100.00	0.0	16
CONN GENL MGR	NY	11.50	7/15/90	50.0	98.00	-1.9	11
EQUIT LF MT-H	NY	13.90	9/1/87	50.0	87.25	0.0	15
FIRST MTG INV-A	OC	6.75	12/1/82	6.3	82.00	3.8	8
FIRST VA MTG-A	OC	4.00	11/1/80	14.9	78.00	1.3	5
FIRST VA MTG-BM	OC	12.00	11/1/80	5.0	75.00	0.0	16
GMR PROPS-B	PS	8.50	12/3/87	15.3	68.00	-4.1	12
GREAT AMER MGMT-B	OC	3.00	8/1/90	15.0	45.00	12.5	6
GREAT AMER MGMT-E	OC	1.10	8/1/91	1.3	34.00	0.0	3
GREAT AMER MGMT-E	OC	1.10	8/1/91	6.5	38.00	8.6	2
GROWTH RLTY-C	NY	6.75	4/15/82	9.2	86.13	-1.5	7
INST INVESTOR-B	OC	8.25	2/1/87	15.2	55.00	0.0	15
MTG INV WASH-BG	OC	12.00	11/1/80	15.0	92.00	2.2	13
NATIONWIDE RE-C	OC	7.00	1/1/91	6.5	62.00	1.6	11
NO AMER MTG-B	PS	8.50	11/1/87	12.1	67.00	0.0	12
NW MUT LF MTG	OC	14.00	1/1/88	15.0	89.00	-10.9	15
REALTY REFUND	NY	11.38	11/1/98	20.0	81.50	-6.2	14
REALTY REFUND-C	NY	12.00	5/15/98	15.0	85.75	-2.5	14
SECURITY MTG-C	OC	6.00	6/15/82	5.3	90.00	15.4	6
SMI INV (DEL)	AS	7.25	5/1/82	22.5	92.00	2.9	7
SO ATLANTIC-C#	NY	6.75	2/15/82F	16.9	81.25	-6.5	8
STATE MUT INV-B	NY	9.00	11/1/80F	6.2	100.00	1.5	9
TRECO-C	OC	6.75	9/1/91	5.3	48.00	-1.9	14

DESCRIPTION: A-SENIOR; B-SENIOR SUBORDINATE; C-SUBORDINATE OR JUNIOR SUBORDINATE. D-3% TO 9/30/82, 7% AFTER. M-VARIABLE AT 1 1/2% OVER MONTHLY PRIME. G-VARIABLE AT 1 1/4% OVER PRIME IN OCT. AND APRIL. H-VARIABLE RATE IN MAR. AND SEPT.; CONVERT INTO 9% DEBENTURE TO 9/1/86. VJ-BANKRUPTCY REORGANIZATION. E-JUNIOR. X-SUSPENDED BY EXCHANGE. DEF-IN DEFAULT. #MAY BE USED AT PAR TO EXERCISE WARRANTS. F-TRADES FLAT, WITHOUT ACCRUED INTEREST.

WARRANTS

NAME	EXCH/ SYMBOL	EXP DATE	OUT (000)	EXER PRICE	NO. SH.	WTS PRICE	STK PRICE	CONV PREM	% CHIG	MKT VA (MIL\$)
FLATLEY RLTY	O-FLTLW	5/30/81	1000	10.00	1.0	0.25	7.00	46.4	0.0	0.3
HQMAC-BARNES	O-HOMCW	12/13/82	1910	20.00	1.0	0.02	2.38	741.2	0.0	0.0
JMB REALTY	O-JMBRW	8/15/82	510	20.00	1.0	2.50	20.50	9.8	25.0	1.3
PNB MTG(B)	A-PNWB	6/1/82	700	20.00	1.0	0.69	11.13	85.9	-30.9	0.5
SAN FRAN REI	A-SFIW	12/31/80	1348	25.00	1.0	4.25	29.13	0.4	-8.1	5.7
SOUTHWARK-B*	PS-N/A	3/31/83	208	2.00	50.0	21.00	2.13	13.6	35.5	4.4

*CITIZENS & SOUTHERN REALTY DEBENTURES USABLE IN LIEU OF CASH.

NOTE: BUYERS ARE CAUTIONED THAT SPREADS BETWEEN BID AND ASKED PRICES OF WARRANTS ARE VERY LARGE AND PRICES MAY VARY SIGNIFICANTLY.

ible net worth per share after deducting intangible items such as unamortized debt discount and expenses, goodwill, etc. Book value does not reflect any appreciation in asset values but does reflect deduction of a reserve for possible investment losses computed under AICPA rules. Accumulated depreciation is added back to net book value for cash flow trusts (denoted "#") - see above) as a means of approximating market value of properties. Components of this adjusted book value are reported in RELATIVE APPEAL RANKINGS.

Shares used in the statistics are the actual number of shares outstanding as of the latest balance sheet date and do not reflect potential dilution from debenture conversion, warrant exercise, or other common equivalent shares which may have been used in computing earnings per share.

MERGERS & ACQUISITIONS: UMET TRUST, FIRST PENN AND REPUBLIC MORTGAGE SET NEW DEALS

UMET Trust (3-3/8-NYSE) has agreed to combine with Grubb & Ellis Co., privately held Oakland, Cal. real estate brokerage and service company. Present UMET holders and Grubb & Ellis holders would each own 50% of the combined company. Grubb & Ellis would designate 7 members to an 11-member board, and would continue to do business under its present name.

Grubb & Ellis earned \$3.6 million before taxes on \$38.7 million revenues in 1979, or approx. 85¢/sh. on the 4.2 million UMET shares that would be outstanding. Pretax was \$1.1 million or 26¢/sh. to June 30. UMET has approx. \$21 million or \$9.96/sh. on present shares of taxloss carryforwards that may be usable to shelter future profits. UMET lost \$403,000 or 19¢/sh. in the six months to May.

Consummation depends on numerous conditions including approval by boards and shareholders of both entities, restructuring of UMET's debt on satisfactory terms, and a favorable tax ruling.

As expected in RTR's July 11 issue, First Pennsylvania Mortgage (1½-NYSE) has agreed to ask present and prospective new shareholders to provide funds to repay all bank debt at about 50¢ per \$1. If completed, present shareholders would be diluted substantially as a potential 27 million new shares would be issued.

FPM's 10 creditor banks have agreed to cancel its \$46 million bank debt for \$20 million cash, one trust property (a Fort Lee, N.J. land leaseback), and 3.4 million new FPM shares. The cash payment would be funded by offering shareholders the right to buy seven new shares for \$1 each. All shares not purchased by present holders would be bought by a group of foreign investors to be organized by Hallwood Securities, Ltd., of London. The investors would receive an unspecified number of warrants as commitment fee and Hallwood would receive shares equal to 10% of the shares outstanding at clos-

ing, or about 2.8 million. If the deal is completed, FPM would have equity of about \$47 million and 30 million shares, or about \$1.57/sh. book value. The deal is subject to numerous conditions, including approval by shareholders, prospectus offering the new shares; banks require closing by Dec. 31. Hallwood would initially control the Board of trustees.

Republic Mortgage Investors (3-1/8-NYSE) has agreed with Oppenheimer & Co., New York City securities broker, and New York City real estate investor Peter Sharp to combine interests in a deal that would give Oppenheimer-Sharp control. RMI will sell 1.4 million new shares to the group in exchange for transfer of Sharp's interest in a NYC apartment building and guarantee the building will be worth no less than \$5.6 million (or \$4/sh.) plus compounded interest in five years. In addition, RMI will put another 1.4 million sh. in escrow and will release one share for each \$8 added to equity through earnings over an \$18 million base (vs. \$9 million equity now) over five years. Oppenheimer-Sharp agree to arrange \$10 million bank financing to cure a June 30 default on the bank loan agreement.

RMI has 2.1 million sh. out now and the deal would give Oppenheimer-Sharp a 57% control assuming all shares are issued. Shareholder approval is needed. New actions on other pending deals:

Moraga Corp. (8-3/4-OTC) has approved sale of substantially all real estate assets to Apex Oil Co. and has about \$12.45/sh. cash to seek new investments. Midland Mortgage Investors approved acquisition of Snowmass, Col. land comprising assets of Snowmass Co. in exchange for shares with 80.1% of voting power. Closing is expected in September upon receipt of a tax ruling. Current Midland (3-1/8-NYSE) holders will receive 0.5 sh. of a new 60¢ preferred plus 0.5 sh. of common (see RTR, July 25).

Mortgage Investors of Washington (3-3/8-OTC) says General Investment Management of Eindhoven, Netherlands, has deposited \$500,000 as non-refundable deposit against buying 3.25 million sh. at \$4 each to raise funds to repay \$14.6 million floating rate notes

due Nov. 1, 1980. Investors represented by G.I.M. would buy the new shares. Closing is scheduled for Oct. 15.

BT Mortgage Investors (2-1/8-NYSE) has signed definitive agreement to merge with Leroy Properties & Development Corp. (2-3/4 bid-OTC); Leroy would receive not more than 80% of shares of the combination. Shareholder vote is now targeted for early October; an asset swap to repay BT bank debt is required. Denver REIA (32 1/4-OTC) signed a contract to sell substantially all assets to R-G Denver, Ltd., a partnership of principals of Romanek-Golub & Co., Chicago real estate firm. Sale price is \$79.5 million, down \$700,000 from earlier prices. The sale should net about \$38.50/cash to DREIA. Kenilworth Realty holders have approved liquidation (RTR, July 11).

Institutional Investors Trust (1-3/8-NYSE) continues to talk with a prospective merger partner. IIT is in default of a principal payment on bank debt and could not make its scheduled Aug. 1 interest payment on its 7-7/8% subordinated debentures. IIT has a 30-day grace period to make payment on the debentures, but its \$6 million Euro-dollar credit line has been called. Domestic banks have not called for payment of their \$18.1 million loan, and negotiations for restructuring continue.

FAIR MARKET VALUE VS. HISTORIC COST: THREE MORE TRUSTS PROVIDE INFO

Three more trusts have taken a little of the mystery out of the question of the real value of their assets; both First Union Real Estate and Bank America Realty Investors have recently provided estimates as to the fair market value of their assets to which independent appraisers concur. American Realty provides a less formal value estimate.

In its June 30 quarterly report, First Union carried its real estate assets at a gross value of \$257 million and a net value (after depreciation) of \$216 million. However, the trust's analysis of the fair market value of the assets, which was concurred in by independent appraisers, was \$355 million. This means that shareholders equity, as

suming full conversion of convertible preferred shares and convertible subordinated debentures, amounted to \$12.05/share on a net cost basis, but on a fair value basis was more than twice that, amounting to \$28.86/share. On that basis, current share price of 20-5/8 represents a discount of 29% from real book value.

Similarly, BankAmericaRealty reported that its adviser and independent appraisers concur that the trust's real estate equity portfolio has a fair market value of \$152 million, against the net book value of those assets of \$78 million. Based on the market value, shareholder equity would equal \$39.50/share, against value on cost basis of about \$17.50/share.

At its annual meeting, American Realty said that trust estimates indicated that based on the actual value of trust assets, shareholders equity was worth about \$20/share, compared to equity on a net cost basis of \$3.50/share. The trust has contracted to sell its Hospitality House motel in Williamsburg, Va., for \$8 million, and a gain of \$6 million or \$2.10/share; it also is selling some Atlanta real estate for a \$4 million, or \$1.80/share gain.

These three new value estimates bring to 13 the number of trusts noting such estimates; they are indexed in our quarterly Relative Appeal Ranking issue.

Other trusts continue to move to capture some of that appreciation through asset sales. Commonwealth Realty has agreed in principle to sell two shopping centers near Baltimore for \$7 million or a \$1.95/sh. gain. And Property Capital has sold a parcel of land in San Diego for \$9 million and reinvested the proceeds in land underlying the Sheraton O'Hare Airport in Chicago and a shopping center in Marina Del Ray, Fla. While the transaction will be treated for federal income tax purposes as a tax-free exchange, the trust reported a gain of \$3.53/share in its annual results. Growth Realty has sold a Houston apartment building for \$6 million, amounting to a 59¢/share gain. The trust has now realized approximately 19% of the \$14 million reported excess value over book.